

Gregg M. Galardi, Esq.
 Ian S. Fredericks, Esq.
 SKADDEN, ARPS, SLATE, MEAGHER &
 FLOM, LLP
 One Rodney Square
 PO Box 636
 Wilmington, Delaware 19899-0636
 (302) 651-3000

Dion W. Hayes (VSB No. 34304)
 Douglas M. Foley (VSB No. 34364)
 MCGUIREWOODS LLP
 One James Center
 901 E. Cary Street
 Richmond, Virginia 23219
 (804) 775-1000

- and -

Chris L. Dickerson, Esq.
 SKADDEN, ARPS, SLATE, MEAGHER &
 FLOM, LLP
 333 West Wacker Drive
 Chicago, Illinois 60606
 (312) 407-0700

Counsel to the Debtors and
 Debtors in Possession

IN THE UNITED STATES BANKRUPTCY COURT
 FOR THE EASTERN DISTRICT OF VIRGINIA
 RICHMOND DIVISION

- - - - -	- - - - -	x
	:	
In re:	:	Chapter 11
	:	
CIRCUIT CITY STORES, INC.,	:	Case No. 08-35653 (KRH)
<u>et al.</u> ,	:	
	:	
Debtors.	:	Jointly Administered
- - - - -	- - - - -	x

**ORDER PURSUANT TO BANKRUPTCY CODE SECTIONS 105(a) AND
 365(a) AND BANKRUPTCY RULE 6006 AUTHORIZING REJECTION OF
 CERTAIN UNEXPIRED LEASES OF PERSONAL PROPERTY BETWEEN THE
 DEBTORS, INTERNATIONAL BUSINESS MACHINES CORPORATION AND
 IBM CREDIT LLC**

Upon the motion (the "Motion")¹ of the Debtors

¹ Capitalized terms not otherwise defined herein shall have the meanings ascribed to such terms in the Motion.

for entry of an order, under Bankruptcy Code sections 105 and 365 and Bankruptcy Rule 6006 authorizing the Debtors to reject certain unexpired leases of personal property between the Debtors and International Business Machines Corporation and IBM Credit LLC (together, "IBM") associated with personal property located, stored, or used at the Remaining Locations set forth on Exhibit A, which personal property leases include (without limitation) those set forth on Exhibit B, (collectively, the "IBM Leases" or the "Leases") and any guaranties thereof, effective as of the Rejection Date; and the Court having reviewed the Motion; and the Court having determined that the relief requested in the Motion is in the best interests of the Debtors, their estates, their creditors, and other parties in interest; and it appearing that proper and adequate notice of the Motion has been given and that no other or further notice is necessary; and upon the record herein; and after due deliberation thereon; and good and sufficient cause appearing therefor, it is hereby

ORDERED, ADJUDGED, AND DECREED that:

1. The Motion is GRANTED.

2. The IBM Leases are hereby rejected effective as of the Rejection Date.²

3. IBM shall not have an administrative expense claim for obligations arising under the IBM Leases for the period on and after the Rejection Date.

4. Nothing herein shall be deemed to grant IBM permission to file (or bar IBM from filing) an administrative expense claim for returned equipment claimed to be damaged or missing parts or for equipment claimed to have been leased but not returned, and nothing herein shall impair or otherwise restrict the Debtors' right to object to any such claim(s) on any grounds.

5. Nothing herein shall be deemed to be a rejection of the Master Lease Agreements or of any IBM lease of equipment located in the warehouse in LeMars, Iowa.

6. The requirement under Local Bankruptcy Rule 9013-1(G) to file a memorandum of law in connection with the Motion is hereby waived.

² For the avoidance of doubt, this Order applies to all IBM Leases associated with the Remaining Locations (and all such Leases are hereby rejected), regardless of whether such Leases are specifically identified on Exhibit B.

7. The Court retains jurisdiction to hear and determine all matters arising from or related to the implementation or interpretation of this Order.

Dated: Richmond, Virginia
March __, 2009

UNITED STATES BANKRUPTCY JUDGE

WE ASK FOR THIS:

Gregg M. Galardi, Esq.
Ian S. Fredericks, Esq.
SKADDEN, ARPS, SLATE, MEAGHER & FLOM, LLP
One Rodney Square
PO Box 636
Wilmington, Delaware 19899-0636
(302) 651-3000

- and -

Chris L. Dickerson, Esq.
SKADDEN, ARPS, SLATE, MEAGHER & FLOM, LLP
333 West Wacker Drive
Chicago, Illinois 60606
(312) 407-0700

- and -

/s/ Douglas M. Foley
Dion W. Hayes (VSB No. 34304)
Douglas M. Foley (VSB No. 34364)
MCGUIREWOODS LLP
One James Center
901 E. Cary Street
Richmond, Virginia 23219
(804) 775-1000

Counsel to the Debtors and Debtors in Possession

CERTIFICATION OF ENDORSEMENT UNDER LOCAL RULE 9022-1(C)

Pursuant to Local Bankruptcy Rule 9022-1(C), I hereby certify that the foregoing proposed order has been endorsed by or served upon all necessary parties.

/s/ Douglas M. Foley